The Board convened in the Commissioners' Hearing Room, 6th Floor, Public Service Center, 1300 Franklin Street, Vancouver, Washington. Commissioners Morris, Stanton, and Pridemore, Chair, present.

PUBLIC HEARING: CONSERVATION REET – ACQUISITION & EXPENDITURE PLAN

Held a public hearing to consider adoption of a plan for the acquisition and maintenance of conservation areas in Clark County, including greenways, critical habitat, and farmland. The commissioners will also consider placing before voters a ballot measure that would enact for ten years a one-quarter of one percent real estate excise tax for the acquisition and maintenance of conservation areas consistent with the findings and recommendations of the acquisition plan.

Commissioner Pridemore opened the public hearing.

Bill Dygert, 5310 NW Walnut Street, Vancouver, explained that he and George Simpson served as the plan's project managers. He provided some history on the matter. Dygert and Simpson then presented a PowerPoint presentation which provided background on the Conservation Areas Real Estate Excise Tax. He explained that as this program is set up, it would authorize counties, with voter approval, to enact an additional excise tax on the sale of real property for the acquisition and maintenance of conservation areas. Dygert said the definition of conservation areas under this statute is a lot like conservation futures. He said these types of properties are land and water that environmental, agricultural, asthetic cultural, scientific, historical, scenic, or low intensity recreation value for existing and future generations and includes, but is not limited to: open spaces, wetlands, marsh's, aquifer recharge areas, shoreline areas, etc. He said those are some of the kinds of properties that would be eligible for both kinds of funds. He further explained. Dygert then explained the stipulations in the statute. He said that in the fall of 2001, the Board of County Commissioner's appointed an 18-member advisory committee to help develop the plan. He said they started out with a conceptual framework that included three pieces: critical habitat; greenways and trail corridors; and farmland. He said working groups were formed for each of the areas. Dygert discussed the process they followed in terms of habitat and greenways and also talked about some important sites. He explained the process used to identify a minimum core number of acres they could express as a range that would give them an acquisition target for each of the Tier I priority project areas. He said they identified an acquisition range in total of 2,320-3,400 acres. He further explained. He said they tried to identify a budget amount for each area that would allow them to meet somewhere within the acquisition range. Dygert stated that the farmland was done differently. He said the working group went back to the mid-1990's and looked at the process that the GMA Resource Group Advisory Committee used for designating farm resource lands. He further explained. He said the acquisition range that the group came up with was 1,750-2,400 acres. The lower end number contemplated that there might be some opportunity and desire to acquire two or three farm sites within urban areas, where the land might be somewhat more expensive but because of historical, cultural, open space values, community values, and farm values, you might want to maintain that opportunity. Dygert said the total acquisition cost for that range was \$12.5 million. He said what they developed for a program acquisition budget for the three components was just over \$40 million. He said the plan budgets for 4.4%, but the total

amount should not exceed 7% under any circumstances. Dygert talked about San Juan's stewardship program in which they put money into a stewardship account and the interest it generated was used to maintain sites so even after the revenue stream stops, interest would still be accumulating. Dygert stated that the total program was just over \$45 million and that the Advisory Committee recommended one quarter of 1% Real Estate Excise Tax, which would bring in approximately \$4.5 million per year. He reiterated that the total need is just over \$45 million dollars, so the plan would take them to a proposed rate and duration of 1/4% for ten years. Dygert highlighted key comments that came forth from the various meetings, polls, work sessions, etc. He said the impact on affordable housing for first-time homebuyers was a key issue, and maintenance and conservation areas was also an active topic, with there being strong support for including the maintenance component in the budget. He said fairness of the funding mechanism was an issue. He talked about possible funding alternatives. Dygert stated that bringing this to the voters in November would be very difficult to do in his judgment. Lastly, he expressed appreciation to those who served on the advisory committee and the working groups.

Pridemore echoed Mr. Dygert's comments regarding the work of the advisory committee. He congratulated everyone who worked on the proposal. Pridemore opened the hearing for public comment.

Jessica Hoffman, Clark County Association of Realtors, 1514 Broadway, Vancouver, Washington, 98663, stated that the association thought the proposal was wonderful, but that they did have a problem with the funding mechanism because it's regressive and targets first-time homebuyers. She said the association's Board agreed that if they could come up with a more broad-based tax, the association would wholeheartedly support the proposal.

Matt Lewis, Building Industry Association, 5007 NE St. Johns Road, praised Dygert and Simpson's proposal. Lewis said the BIA would recommend against placing the tax proposal on the November ballot. He said the current program, which has been in place since 1985, has been very successful. He stated that there are enough places that are undevelopable because of existing environmental regulations that any conservation acquisition should be targeted towards those areas. He said the building community has concerns that what developable land is available within urban growth areas, is indeed available to build on and that some of the farm land element might conflict with that. He said another concern about placing it on the November ballot would be the various competing public infrastructure needs among many levels of government. Lewis said there is the consideration of prioritizing the most critical needs of the community and respecting the voters' tolerance for tax measures.

Florence Wager, 7100 Topeka Lane, Vancouver, expressed support for the proposal. Ms. Wager said there is always going to be someone who opposes taxes. She said she was thinking in terms of clean water and that protecting the corridors, greenways, aquifer recharge areas, and marches would provide clean water for them down the road. She said she thought Clark County citizens would be supportive of the plan.

Pat Campbell, 2717 NE 149th Avenue, Vancouver, spoke in favor of the proposal. He said Dygert and his team have gotten the essentials of what has to be preserved in the county. He said if they follow the plan they are going to get a "big bang for their buck." Mr. Campbell said the public would support it.

Greg Kimsey, 1615 NW 86th Way, Vancouver, expressed support for raising additional monies in order to preserve the spaces identified by Dygert and Simpson. Kimsey said he believed they owed it to future generations to set aside those spaces. He said he was sympathetic to the concerns for first-time homebuyers and it would be worthwhile to discuss other funding options that would be more equitable. He also agreed with Dygert about putting the issue off for another year.

Polly Lauser, Vice-President of the Clark County Association of Realtors, 13201 NW 33rd Avenue, Vancouver, stated that it was a wonderful concept and plan, but she did encourage finding a more equitable funding mechanism.

Lynn Scheubel, General Manager for REMAX Equity Group, 4015 NW 127th Street, Vancouver, stated that the proposal was an excellent one. However, he said because first-time homebuyers depend on every penny they have when purchasing a home, it would be a struggle to come up with any extra money. He said he would fully support a broader based funding situation.

Jerry Beale, President of Vancouver Audubon, 14700 NE 160th Avenue, Brush Prairie, stated that part of the Audubon's mission is to preserve ecosystems for future generations and the proposal fits with their belief. He said the 1/4% should actually be higher.

Lloyd Handlos, 12904 NE 151st Street, Brush Prairie, expressed concern about the hardship this additional tax would cause to people. He suggested allowing only those people who would be subject to the tax to vote. He said they need to find a funding mechanism that would create a broader base of people who would pay the tax.

Randy Bombardier, 216 South 3rd, Ridgefield, stated that it was a great plan. He referenced comments made by Mr. Lewis relating to unbuildable lands. He recommended creating an entity that would take receipt of those properties as a charitable contribution, or some other way to leverage more conservation space. He said how they go about getting the lands might dictate where they get them. He suggested that Mr. Dygert and his team should attend a future workshop with the City Council in order to talk about Gee Creek as a potential project.

Dick Easter, 46806 NE Tie Pond Road, Amboy, expressed opposition to additional taxes. He said he believed there were other ordinances available to protect critical habitat, such as the Habitat Ordinance. He questioned whether spending \$47 million for the acquisition of property takes into consideration also the loss of revenue of taking that land out of tax income, which he calculates to be about \$4 million. He said he objects to the county owning so much land. He said the proposal sounds wonderful, but there were some pitfalls in it.

Marla Shirts, PO Box 4, Yacolt, stated that she was opposed to the program. Ms. Shirts said that when the weather is really hot, people go to Moulton Falls to swim. She said it was clear from the proposed plan that the county intends to shut down public swimming along the entire east fork of the Lewis River, all the way to the Skamania County line. She said that not allowing public swimming, as well as the plan's proposed tax, is unacceptable.

John McKibbon, President of The Greater Vancouver Chamber of Commerce, 1101 Broadway, Suite 120, Vancouver, expressed appreciation for the work of Dygert and Simpson and said that for the most part the methodology was sound. He said it does raise some questions such as: where there are other tools, can they be leveraged further, particularly in the farming area? Secondly, he brought up the timing issue and stated that they need additional time to discuss the issue. Additionally, Mr. McKibbon said the Chamber has concerns about REET loading, and there is a distribution and fairness issue that has been raised by numerous people. He added that there is an issue of priorities within the community. He talked about the issue of the maintenance being distributed to the new acquisitions versus prior. He said it's been a clear disadvantage for the community that the futures were not allowed to be used for maintenance and that it was an issue that should be further discussed.

Glenn Lamb, 1351 Officers' Row, Vancouver, Executive Director of Columbia Land Trust, wanted to express that they work with landowners who privately, voluntarily want to conserve their land. He said they have had a number of people who have been interested in donating their lands for conservation within many of the identified priority areas. Additionally, he said they frequently receive calls from landowners who are also within those areas, but are not in a position to donate land but who want to see their lands conserved. He said that what they often hear from landowners is that they would welcome the opportunity to help those lands come into conservation.

Ken Hadley, 1317 NE 4th Avenue, Camas, stated that he supported Ms. Hoffman's earlier comments. He said he supports the general idea of preserving special lands, but as a Realtor he opposes an increase in the REET. He expressed concern for lower income individuals paying the all the costs involved in buying a home. He said he was opposed to imposing any kind of tax on a small segment of the general population for something that would benefit everyone, and that they should consider a more general-based funding mechanism.

Jennifer Simms, 330 NE 164th Street, Ridgefield, urged the Board to make land conservation a high priority and adopt the proposal. Ms. Simms said she frequently utilizes many of the open spaces that have been conserved to date and enjoys what has been done so far. She asked the Board to consider the importance of the stewardship element of the program. She also asked the Board to consider the financial benefit of bonding the revenue stream, assuming that it's approved, because interest rates are at a historic low and the pressure on land prices is very strong.

Commissioner Pridemore closed public comment.

Stanton asked for clarification regarding the question that came up about closing rivers to swimming. She asked if that was ever part of the discussion.

Dygert responded that it just depends on the site, such as critical habitat areas, and is not a part of the program to use as a vehicle to close off access to waterways. He said the greenways would contemplate allowing people to get to water.

Stanton asked if the property owners' land would be acquired against their wishes.

Dygert responded that it is stipulated in the plan that it would be willing sellers only and is part of the definition of acquisition in the plan.

Pridemore asked Dygert to verify whether he wanted to move forward with the plan in November or if he preferred to pull it back.

Dygert said it is his feeling that November is too soon. He said they need to regroup and look at the timeframe.

Pridemore noted that many people are in favor of the goal, but not the funding method. He said he would also like to look at a broader, fairer tax distribution.

Stanton said they have had this issue on their work plan for four years and this isn't the time to rush forward. She said she really likes the proposal, but is not in favor of trying to rush it in for November. She said she would also like broader discussion about other potential funding mechanisms, as expressed in much of the public communication.

Dygert said they would make themselves available to the Board and show them some of the other options.

Morris said it is a very wise choice for them not to attempt a rush to the ballot in November, as well to look at a broader based tax. Morris said there were comments regarding other funding mechanisms such as regulatory ordinances to protect habitat. She said they do have those, but this proposal was a fairer way to ask someone to give up the use of their land. She said this was an effort on the County's part to compensate people with the very best habitat; it's certainly not intended to be a land grab. She said this is a very worthwhile cause that they need to pursue.

Pridemore said they could adopt the plan in some formal manner without putting it on the November ballot.

Dygert said the problem is that the planning document stipulates the rate and duration for Real Estate Excise Tax to accomplish the goals outlined in the plan. He said they would need to be careful about not doing that piece of it; they would want to adopt the findings and recommendations in terms of the project areas identified in the plan.

Rich Lowry, Prosecuting Attorney's Office, said it would take excising the funding matter from the plan.

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Stanton said it really was an update to the open space and GMA work and it seems like it would be worth taking out the reference to how they get there and adopting the update of the plan.

Morris suggested that they could adopt the plan in concept and ask that Dygert bring back an

edited document for formal adoption.

MOVED by Stanton to adopt in concept the proposed Conservation REET – Acquisition & Expenditure Plan. Commissioners Pridemore, Morris, and Stanton voted aye. Motion carried. (See

Tape 35)

BOARD OF COUNTY COMMISSIONERS

Craig A. Pridemore/s/

Craig A. Pridemore, Chair

Betty Sue Morris/s/

Betty Sue Morris, Commissioner

Judie Stanton, Commissioner

ATTEST:

Louise Richards/s/ Clerk of the Board

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